

HAMILTON SEVENTH-DAY ADVENTIST SCHOOL

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

School Address:

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Ministry Number: 4105

HAMILTON SEVENTH-DAY ADVENTIST SCHOOL

Financial Statements - For the year ended 31 December 2017

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Hamilton Seventh-Day Adventist School

Statement of Responsibility

For the year ended 31 December 2017

The Board of Trustees accepts responsibility for the preparation of the annual financial statements and the judgements used in these financial statements.

The management (including the principal and others as directed by the Board) accepts responsibility for establishing and maintaining a system of internal controls designed to provide reasonable assurance as to the integrity and reliability of the school's financial reporting.

It is the opinion of the Board and management that the annual financial statements for the financial year ended 31 December 2017 fairly reflects the financial position and operations of the school.

The School's 2017 financial statements are authorised for issue by the Board.

Stephen Petrie

Full Name of Board Chairperson



Signature of Board Chairperson

7/6/18

Date:

Shaun Hurlow

Full Name of Principal



Signature of Principal

7 June 2018

Date:

Hamilton Seventh-Day Adventist School
Statement of Comprehensive Revenue and Expense
For the year ended 31 December 2017

		2017	2017	2016
	Notes	Actual	Budget	Actual
		\$	(Unaudited)	\$
			\$	
Revenue				
Government Grants	2	439,040	363,393	410,444
Locally Raised Funds	3	45,568	29,370	33,711
Use of Land and Buildings Integrated		108,000	88,000	77,000
Interest Earned		721	-	847
International Students	4	6,957	-	-
		<u>600,286</u>	<u>480,763</u>	<u>522,002</u>
Expenses				
Locally Raised Funds	3	19,962	-	13,529
International Students	4	836	-	-
Learning Resources	5	360,030	285,022	303,460
Administration	6	50,691	42,099	49,805
Finance Costs		1,308	-	-
Property	7	156,334	141,613	129,185
Depreciation	8	11,909	8,475	11,431
Amortisation of Equitable Lease		2,079	-	2,079
		<u>603,149</u>	<u>477,209</u>	<u>509,489</u>
Net Surplus / (Deficit)		(2,863)	3,554	12,513
Other Comprehensive Revenue and Expenses		-	-	-
Total Comprehensive Revenue and Expense for the Year		<u>(2,863)</u>	<u>3,554</u>	<u>12,513</u>

The above Statement of Comprehensive Revenue and Expense should be read in conjunction with the accompanying notes.



Hamilton Seventh-Day Adventist School
Statement of Changes in Net Assets/Equity
For the year ended 31 December 2017

	Actual 2017 \$	Budget (Unaudited) 2017 \$	Actual 2016 \$
Balance at 1 January	<u>133,426</u>	<u>133,426</u>	<u>120,913</u>
Total comprehensive revenue and expense for the year Capital Contributions from the Ministry of Education	(2,863)	3,554	12,513
Equity at 31 December	<u>130,563</u>	<u>136,980</u>	<u>133,426</u>
Retained Earnings	130,563	136,980	133,426
Equity at 31 December	<u>130,563</u>	<u>136,980</u>	<u>133,426</u>

The above Statement of Changes in Net Assets/Equity should be read in conjunction with the accompanying notes.



Hamilton Seventh-Day Adventist School
Statement of Financial Position
As at 31 December 2017

		2017	2017	2016
	Notes	Actual	Budget	Actual
		\$	(Unaudited)	\$
			\$	
Current Assets				
Cash and Cash Equivalents	9	66,570	99,758	73,754
Accounts Receivable	10	25,900	29,102	20,028
GST Receivable		776	714	2,684
Prepayments		1,450	1,162	305
Inventories	11	4,731	3,579	3,642
		<u>99,427</u>	<u>134,315</u>	<u>100,413</u>
Current Liabilities				
Accounts Payable	14	32,288	29,778	28,361
Revenue Received in Advance	15	7,108	6,972	6,981
Provision for Cyclical Maintenance	16	25,907	30,658	30,658
Finance Lease Liability - Current Portion	17	3,353	-	521
		<u>68,656</u>	<u>67,408</u>	<u>66,521</u>
Working Capital Surplus/(Deficit)		30,771	66,907	33,892
Non-current Assets				
Property, Plant and Equipment	12	51,158	13,079	45,802
Equitable Leasehold Interest	13	52,836	56,994	54,915
		<u>103,994</u>	<u>70,073</u>	<u>100,717</u>
Non-current Liabilities				
Finance Lease Liability	17	4,202	-	1,183
		<u>4,202</u>	<u>-</u>	<u>1,183</u>
Net Assets		<u>130,563</u>	<u>136,980</u>	<u>133,426</u>
Equity		<u>130,563</u>	<u>136,980</u>	<u>133,426</u>

The above Statement of Financial Position should be read in conjunction with the accompanying notes.



Hamilton Seventh-Day Adventist School Statement of Cash Flows

For the year ended 31 December 2017

		2017	2017	2016
	Note	Actual	Budget	Actual
		\$	(Unaudited)	\$
			\$	
Cash flows from Operating Activities				
Government Grants		134,148	121,751	139,874
Locally Raised Funds		36,632	29,370	33,350
International Students		13,914	-	-
Goods and Services Tax (net)		1,908	-	(1,970)
Payments to Employees		(80,800)	(51,105)	(55,095)
Payments to Suppliers		(99,443)	(95,356)	(82,308)
Cyclical Maintenance Payments in the year		(2,740)	-	-
Interest Paid		(1,308)	-	-
Interest Received		711	-	847
Net cash from / (to) the Operating Activities		3,022	4,660	34,698
Cash flows from Investing Activities				
Purchase of PPE (and Intangibles)		(8,935)	-	(25,641)
Net cash from / (to) the Investing Activities		(8,935)	-	(25,641)
Cash flows from Financing Activities				
Finance Lease Payments		(1,271)	-	(128)
Net cash from Financing Activities		(1,271)	-	(128)
Net increase/(decrease) in cash and cash equivalents		(7,184)	4,660	8,929
Cash and cash equivalents at the beginning of the year	9	73,754	95,098	64,825
Cash and cash equivalents at the end of the year	9	66,570	99,758	73,754

The statement of cash flows records only those cash flows directly within the control of the School. This means centrally funded teachers' salaries and the use of land and buildings grant and expense have been excluded.

The above Cash Flow Statement should be read in conjunction with the accompanying notes.



Hamilton Seventh-Day Adventist School

Notes to the Financial Statements

1. Statement of Accounting Policies

For the year ended 31 December 2017

a) Reporting Entity

Hamilton Seventh-Day Adventist School (the School) is a Crown entity as specified in the Crown Entities Act 2004 and a school as described in the Education Act 1989. The Board of Trustees (the Board) is of the view that the School is a public benefit entity for financial reporting purposes.

b) Basis of Preparation

Reporting Period

The financial reports have been prepared for the period 1 January 2017 to 31 December 2017 and in accordance with the requirements of the Public Finance Act 1989.

Basis of Preparation

The financial statements have been prepared on a going concern basis, and the accounting policies have been consistently applied throughout the period.

Financial Reporting Standards Applied

The Education Act 1989 requires the School, as a Crown entity, to prepare financial statements in accordance with generally accepted accounting practice. The financial statements have been prepared in accordance with generally accepted accounting practice in New Zealand, applying Public Sector Public Benefit Entity (PBE) Standards Reduced Disclosure Regime as appropriate to public benefit entities that qualify for Tier 2 reporting. The school is considered a Public Benefit Entity as it meets the criteria specified as "having a primary objective to provide goods and/or services for community or social benefit and where any equity has been provided with a view to supporting that primary objective rather than for financial return to equity holders".

PBE Accounting Standards Reduced Disclosure Regime

The School qualifies for Tier 2 as the school is not publicly accountable and is not considered large as it falls below the expenditure threshold of \$30 million per year. All relevant reduced disclosure concessions have been taken.

Measurement Base

The financial statements are prepared on the historical cost basis unless otherwise noted in a specific accounting policy.

Presentation Currency

These financial statements are presented in New Zealand dollars, rounded to the nearest dollar.

Specific Accounting Policies

The accounting policies used in the preparation of these financial statements are set out below.



Critical Accounting Estimates And Assumptions

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, revenue and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

Useful lives of property, plant and equipment

The School reviews the estimated useful lives of property, plant and equipment at the end of each reporting date. The School believes that the estimated useful lives of the property, plant and equipment as disclosed in the Significant Accounting Policies are appropriate to the nature of the property, plant and equipment at reporting date. Property, plant and equipment is disclosed at note 12.

Critical Judgements in applying accounting policies

Management has exercised the following critical judgements in applying accounting policies:

Classification of leases

The School reviews the details of lease agreements at the end of each reporting date. The School believes the classification of each lease as either operation or finance is appropriate and reflects the nature of the agreement in place. Finance leases are disclosed at note 17.

Recognition of grants

The School reviews the grants monies received at the end of each reporting period and whether any require a provision to carryforward amounts unspent. The School believes all grants received have been appropriately recognised as a liability if required. Government grants are disclosed at note 2.

c) Revenue Recognition

Government Grants

The school receives funding from the Ministry of Education. The following are the main types of funding that the School receives;

Operational grants are recorded as revenue when the School has the rights to the funding, which is in the year that the funding is received.

Teachers salaries grants are recorded as revenue when the School has the rights to the funding in the salary period they relate to. The grants are not received in cash by the School and are paid directly to teachers by the Ministry of Education.



Other Grants

Other grants are recorded as revenue when the School has the rights to the funding, unless there are unfulfilled conditions attached to the grant, in which case the amount relating to the unfulfilled conditions is recognised as a liability and released to revenue as the conditions are fulfilled.

Grants for the use of land and buildings are also not received in cash by the School as they equate to the deemed expense for using the land and buildings which are owned by the Proprietor. Use of land and building grants are recorded as income in the period the school uses the land and building.

Donations, Gifts and Bequests

Donations, gifts and bequests are recorded as revenue when their receipt is formally acknowledged by the School.

Interest Revenue

Interest Revenue earned on cash and cash equivalents and investments is recorded as revenue in the period it is earned.

d) Use of Land and Buildings Expense

The property from which the School operates is owned by the Proprietor. The expense is based on an assumed market rental yield on the land and buildings as used for rating purposes. This is a non-cash expense that is offset by a non-cash grant from the Proprietor.

e) Operating Lease Payments

Payments made under operating leases are recognised in the Statement of Comprehensive Revenue and Expense on a straight line basis over the term of the lease.

f) Finance Lease Payments

Finance lease payments are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to each period during the lease term on an effective interest basis.

g) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, bank balances, deposits held at call with banks, and other short term highly liquid investments with original maturities of 90 days or less, and bank overdrafts. The carrying amount of cash and cash equivalents represent fair value.

h) Accounts Receivable

Accounts Receivable represents items that the School has issued invoices for or accrued for, but has not received payment for at year end. Receivables are initially recorded at fair value and subsequently recorded at the amount the School realistically expects to receive. A receivable is considered uncollectable where there is objective evidence the School will not be able to collect all amounts due. The amount that is uncollectable (the provision for uncollectibility) is the difference between the amount due and the present value of the amounts expected to be collected.

i) Inventories

Inventories are consumable items held for sale and comprise of stationery and school uniforms. They are stated at the lower of cost and net realisable value. Cost is determined on a first in, first out basis. Net realisable value is the estimated selling price in the ordinary course of activities less the estimated costs necessary to make the sale. Any write down from cost to net realisable value is recorded as an expense in the Statement of Comprehensive Revenue and Expense in the period of the write down.



j) Investments

Bank term deposits for periods exceeding 90 days are classified as investments and are initially measured at the amount invested. Interest is subsequently accrued and added to the investment balance. After initial recognition bank term deposits are measured at amortised cost using the effective interest method less impairment.

Investments that are shares are categorised as "available for sale" for accounting purposes in accordance with financial reporting standards. Share investments are recognised initially by the School at fair value plus transaction costs. At balance date the School has assessed whether there is any evidence that an investment is impaired. Any impairment, gains or losses are recognised in the Statement of Comprehensive Revenue and Expense.

After initial recognition any investments categorised as available for sale are measured at their fair value without any deduction for transaction costs the school may incur on sale or other disposal.

The School has met the requirements under section 28 of schedule 6 of the Education Act 1989 in relation to the acquisition of securities.

k) Property, Plant and Equipment

Land and buildings owned by the Proprietor are excluded from these financial statements. The Board's use of the land and buildings as 'occupant' is based on a property occupancy document.

Property, plant and equipment are recorded at cost or, in the case of donated assets, fair value at the date of receipt, less accumulated depreciation and impairment losses. Cost or fair value as the case may be, includes those costs that relate directly to bringing the asset to the location where it will be used and making sure it is in the appropriate condition for its intended use.

Property, plant and equipment acquired with individual values under \$500 are not capitalised, they are recognised as an expense in the Statement of Comprehensive Revenue and Expense.

Gains and losses on disposals (*i.e.* sold or given away) are determined by comparing the proceeds received with the carrying amounts (*i.e.* the book value). The gain or loss arising from the disposal of an item of property, plant and equipment is recognised in the Statement of Comprehensive Revenue and Expense.

Leased Assets

Leases where the School assumes substantially all the risks and rewards of ownership are classified as finance leases. The assets acquired by way of finance lease are measured at an amount equal to the lower of their fair value and the present value of the minimum lease payments at inception of the lease, less accumulated depreciation and impairment losses. Leased assets and corresponding liability are recognised in the Statement of Financial Position and leased assets are depreciated over the period the School is expected to benefit from their use or over the term of the lease.



Depreciation

Property, plant and equipment except for library resources are depreciated over their estimated useful lives on a straight line basis. Library resources are depreciated on a diminishing value basis. Depreciation of all assets is reported in the Statement of Comprehensive Revenue and Expense.

The estimated useful lives of the assets are:

Furniture and Equipment	5-15 years
Information and Communication	5 years
Motor Vehicles	5 years
Textbooks	5-8 years
Library Resources	12.5 DV

Leased assets are depreciated over the life of the lease.

l) Intangible Assets

Software costs

Computer software acquired by the School are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. Costs associated with subsequent maintenance or licensing of software are recognised as an expense in the Statement of Comprehensive Revenue and Expense when incurred.

Computer software licences with individual values under \$1,000 are not capitalised, they are recognised as an expense in the Statement of Comprehensive Revenue and Expense when incurred.

Computer software that the school receives from the Ministry of Education is normally acquired through a non-exchange transaction and is not of a material amount. It's fair value can be assessed at time of acquisition if no other methods lead to a fair value determination. Computer software purchased directly from suppliers at market rates are considered exchange transactions and the fair value is the amount paid for the software.

The carrying value of software is amortised on a straight line basis over its useful life. The useful life of software is estimated as three years. The amortisation charge for each period and any impairment loss is recorded in the Statement of Comprehensive Revenue and Expense.

m) Impairment of property, plant, and equipment and intangible assets

The school does not hold any cash generating assets. Assets are considered cash generating where their primary objective is to generate a commercial return.

Non cash generating assets

Property, plant, and equipment and intangible assets held at cost that have a finite useful life are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable service amount. The recoverable service amount is the higher of an asset's fair value less costs to sell and value in use.

Value in use is determined using an approach based on either a depreciated replacement cost approach, restoration cost approach, or a service units approach. The most appropriate approach used to measure value in use depends on the nature of the impairment and availability of information.

If an asset's carrying amount exceeds its recoverable service amount, the asset is regarded as impaired and the carrying amount is written down to the recoverable amount. The total impairment loss is recognised in the surplus or deficit.

The reversal of an impairment loss is recognised in the surplus or deficit.

n) Accounts Payable

Accounts Payable represents liabilities for goods and services provided to the School prior to the end of the financial year which are unpaid. Accounts Payable are recorded at the amount of cash required to settle those liabilities. The amounts are unsecured and are usually paid within 30 days of recognition.

o) Employee Entitlements

Short-term employee entitlements

Employee benefits that are due to be settled within 12 months after the end of the period in which the employee renders the related service are measured based on accrued entitlements at current rates of pay.

These include salaries and wages accrued up to balance date, annual leave earned to but not yet taken at balance date.

Long-term employee entitlements

Employee benefits that are due to be settled beyond 12 months after the end of the period in which the employee renders the related service, such as long service leave and retirement gratuities, have been calculated on an actuarial basis. The calculations are based on:

- likely future entitlements accruing to staff, based on years of service, years to entitlement, the likelihood that staff will reach the point of entitlement, and contractual entitlement information; and
- the present value of the estimated future cash flows

p) Revenue Received in Advance

Revenue received in advance relates to fees received from students and grants received where there are unfulfilled obligations for the School to provide services in the future. The fees are recorded as revenue as the obligations are fulfilled and the fees earned.

The School holds sufficient funds to enable the refund of unearned fees in relation to international students, should the School be unable to provide the services to which they relate.

q) Funds Held in Trust

Funds are held in trust where they have been received by the School for a specified purpose, or are being held on behalf of a third party and these transactions are not recorded in the Statement of Revenue and Expense.. The School holds sufficient funds to enable the funds to be used for their intended purpose at any time.

r) Shared Funds

Shared Funds are held on behalf of a cluster of participating schools as agreed with the Ministry of Education. The cluster of schools operate activities outside of school control. These amounts are not recorded in the Statement of Revenue and Expense. The School holds sufficient funds to enable the funds to be used for their intended purpose.

s) Provision for Cyclical Maintenance

The property from which the school operates is owned by the Proprietor. The Board is responsible for maintaining the land, building and other facilities on the School site in a state of good order and repair.

Cyclical maintenance, which involves painting the interior and exterior of the School, makes up the most significant part of the Board's responsibilities outside day-to-day maintenance. The provisions for cyclical maintenance represents the obligations the Board has to the Proprietor and is based on the Board's ten year property plan (10YPP).



t) Financial Assets and Liabilities

The School's financial assets comprise cash and cash equivalents, accounts receivable, and investments. All of these financial assets, except for investments that are shares, are categorised as "loans and receivables" for accounting purposes in accordance with financial reporting standards.

Investments that are shares are categorised as "available for sale" for accounting purposes in accordance with financial reporting standards.

The School's financial liabilities comprise accounts payable, borrowings, finance lease liability, and painting contract liability. All of these financial liabilities are categorised as "financial liabilities measured at amortised cost" for accounting purposes in accordance with financial reporting standards.

u) Borrowings

Borrowings are recognised at the amount borrowed. Borrowings are classified as current liabilities unless the School has an unconditional right to defer settlement of the liability for at least 12 months after the balance date.

v) Goods and Services Tax (GST)

The financial statements have been prepared on a GST exclusive basis, with the exception of accounts receivable and accounts payable which are stated as GST inclusive.

The net amount of GST paid to, or received from, the IRD, including the GST relating to investing and financing activities, is classified as a net operating cash flow in the statements of cash flows.

Commitments and contingencies are disclosed exclusive of GST.

w) Budget Figures

The budget figures are extracted from the School budget that was approved by the Board at the start of the year.

x) Services received in-kind

From time to time the School receives services in-kind, including the time of volunteers. The School has elected not to recognise services received in kind in the Statement of Comprehensive Revenue and Expense.



2. Government Grants

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Operational grants	123,435	120,380	130,445
Teachers' salaries grants	302,272	241,642	270,326
Resource teachers learning and behaviour grants	100	-	-
Other MoE Grants	13,233	1,371	9,673
	<u>439,040</u>	<u>363,393</u>	<u>410,444</u>

3. Locally Raised Funds

Local funds raised within the School's community are made up of:

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Revenue			
Donations	7,745	3,900	8,273
Fundraising	3,669	2,500	2,596
Trading	9,706	-	6,562
Activities	24,448	22,970	16,280
	<u>45,568</u>	<u>29,370</u>	<u>33,711</u>
Expenses			
Activities	9,770	-	7,024
Trading	10,109	-	6,149
Fundraising (costs of raising funds)	83	-	356
	<u>19,962</u>	<u>-</u>	<u>13,529</u>
	<u>25,606</u>	<u>29,370</u>	<u>20,182</u>

Surplus for the year Locally raised funds

4. International Student Revenue and Expenses

	2017 Actual Number	2017 Budget (Unaudited) Number	2016 Actual Number
International Student Roll	1	0	0
Revenue			
International student fees	6,957	-	-
Expenses			
Advertising	836	-	-
	<u>836</u>	<u>-</u>	<u>-</u>
	<u>6,121</u>	<u>-</u>	<u>-</u>

Surplus for the year International Students'



5. Learning Resources

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Curricular	7,225	8,780	7,151
Library resources	44	100	-
Employee benefits - salaries	351,893	275,142	294,784
Staff development	868	1,000	1,525
	<u>360,030</u>	<u>285,022</u>	<u>303,460</u>

6. Administration

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Audit Fee	3,200	3,000	3,100
Board of Trustees Fees	165	500	149
Board of Trustees Expenses	817	1,170	2,753
Communication	2,372	1,070	1,903
Consumables	5,694	4,350	4,664
Operating Lease	6,103	7,094	6,927
Other	6,628	3,270	6,069
Employee Benefits - Salaries	19,962	16,605	18,710
Insurance	566	-	466
Service Providers, Contractors and Consultancy	5,184	5,040	5,064
	<u>50,691</u>	<u>42,099</u>	<u>49,805</u>

7. Property

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Caretaking and Cleaning Consumables	2,004	1,650	3,510
Cyclical Maintenance Expense	(2,011)	4,023	2,181
Grounds	4,092	6,650	7,000
Heat, Light and Water	4,911	4,860	4,400
Rates	347	300	228
Repairs and Maintenance	5,964	2,500	3,338
Use of Land and Buildings	108,000	88,000	77,000
Security	666	630	1,467
Employee Benefits - Salaries	1	1,000	621
Bus	17,450	17,000	19,308
Consultants	14,910	15,000	10,132
	<u>156,334</u>	<u>141,613</u>	<u>129,185</u>

The use of land and buildings figure represents 8% of the school's total property value. This is used as a 'proxy' for the market rental of the property.



8. Depreciation

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Buildings	137	-	-
Building Improvements	107	-	-
Furniture and Equipment	3,800	2,379	3,208
Information and Communication Technology	2,449	2,225	3,001
Motor Vehicles	1,700	2,514	3,391
Textbooks	479	339	457
Leased Assets	2,386	326	440
Library Resources	851	692	934
	<u>11,909</u>	<u>8,475</u>	<u>11,431</u>

9. Cash and Cash Equivalents

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
ASB	11,252	34,846	28,612
ASB - 50	23,750	38,679	18,685
ANZ 0001859-20 Call Account	31,559	26,034	26,258
ASB Debit Card 00	9	199	199
Cash equivalents and bank overdraft for Cash Flow Statement	<u>66,570</u>	<u>99,758</u>	<u>73,754</u>

The carrying value of short-term deposits with maturity dates of 90 days or less approximates their fair value.

10. Accounts Receivable

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Receivables	3,363	4,172	1,257
Receivables from the Ministry of Education	1,731	1,091	1,251
Interest Receivable	10	-	-
Teacher Salaries Grant Receivable	20,796	23,839	17,520
	<u>25,900</u>	<u>29,102</u>	<u>20,028</u>
Receivables from Exchange Transactions	3,373	4,172	1,257
Receivables from Non-Exchange Transactions	22,527	24,930	18,771
	<u>25,900</u>	<u>29,102</u>	<u>20,028</u>



11. Inventories

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Uniforms	4,731	3,579	3,642
	<u>4,731</u>	<u>3,579</u>	<u>3,642</u>

12. Property, Plant and Equipment

	Opening Balance (NBV) \$	Additions \$	Disposals \$	Impairment \$	Depreciation \$	Total (NBV) \$
2017						
Furniture and Equipment	28,718	8,612	-	-	(4,044)	33,286
Information and Communication Techn	6,358	-	-	-	(2,449)	3,909
Motor Vehicles	1,700	-	-	-	(1,700)	-
Textbooks	1,228	-	-	-	(479)	749
Leased Assets	1,264	8,437	-	-	(2,386)	7,315
Library Resources	6,534	216	-	-	(851)	5,899
Balance at 31 December 2017	<u>45,802</u>	<u>17,265</u>	<u>-</u>	<u>-</u>	<u>(11,909)</u>	<u>51,158</u>

	Cost or Valuation \$	Accumulated Depreciation \$	Net Book Value \$
2017			
Furniture and Equipment	138,766	(105,237)	33,286
Information and Communication	58,060	(54,151)	3,909
Motor Vehicles	16,957	(16,957)	-
Textbooks	3,657	(2,908)	749
Leased Assets	10,141	(2,826)	7,315
Library Resources	35,953	(30,054)	5,899
Balance at 31 December 2017	<u>263,534</u>	<u>(212,133)</u>	<u>51,158</u>



	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2016	\$	\$	\$	\$	\$	\$
Furniture and Equipment	9,411	22,515	-	-	(3,208)	28,718
Information and Communication Techn	6,639	2,720	-	-	(3,001)	6,358
Motor Vehicles	5,092	-	-	-	(3,391)	1,700
Textbooks	1,262	423	-	-	(457)	1,228
Leased Assets	-	1,704	-	-	(440)	1,264
Library Resources	7,361	107	-	-	(934)	6,534
Balance at 31 December 2016	29,765	27,469	-	-	(11,431)	45,802

	Cost or Valuation	Accumulated Depreciation	Net Book Value
2016	\$	\$	\$
Furniture and Equipment	130,154	(101,436)	28,718
Information and Communication	58,060	(51,702)	6,358
Motor Vehicles	16,957	(15,257)	1,700
Textbooks	3,657	(2,429)	1,228
Leased Assets	1,704	(440)	1,264
Library Resources	35,737	(29,203)	6,534
Balance at 31 December 2016	246,269	(200,467)	45,802

13. Equitable Leasehold Interest

An equitable leasehold interest recognises an interest in an asset without transferring ownership or creating a charge over the asset. This equitable leasehold interest represents the board's interest in capital works assets owned by the proprietor but paid for in whole or in part by the Board of Trustees, either from Government funding or from community raised funds.

A lease between the board and the proprietor records the terms of the equitable leasehold interest and includes a detailed schedule of capital works assets. The equitable leasehold interest is amortised over 10-40 years based on the economic life of the capital works asset(s) involved. The interest may be realised on the sale of the capital works by the proprietor or the closure of the school.

The major capital works assets included in the equitable leasehold interest are:

	2017 Actual	2017 Budget	2016 Actual
	\$	\$	\$
Equitable Leasehold Interest	52,836	56,994	54,915
	52,836	56,994	54,915



14. Accounts Payable

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Operating creditors	6,916	5,442	6,585
Accruals	3,680	-	3,565
Capital accruals for PPE items	-	-	123
Employee Entitlements - salaries	20,796	23,839	17,520
Employee Entitlements - leave accrual	896	497	568
	<u>32,288</u>	<u>29,778</u>	<u>28,361</u>
Payables for Exchange Transactions	32,288	29,778	28,361
Payables for Non-exchange Transactions - Taxes Payable (PAYE and Rates)	-	-	-
Payables for Non-exchange Transactions - Other	-	-	-
	<u>32,288</u>	<u>29,778</u>	<u>28,361</u>

The carrying value of payables approximates their fair value.

15. Revenue Received in Advance

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Income In Advance	-	296	-
School Fees Assistance Inc in Adv	-	5,888	6,070
International Students in Advance	6,957	-	-
Student Income In Advance	151	788	911
	<u>7,108</u>	<u>6,972</u>	<u>6,981</u>

16. Provision for Cyclical Maintenance

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Provision at the Start of the Year	30,658	61,135	28,477
Increase/(decrease) to the Provision During the Year	(2,011)	4,023	2,181
Use of the Provision During the Year	(2,740)	(34,500)	-
Provision at the End of the Year	<u>25,907</u>	<u>30,658</u>	<u>30,658</u>
Cyclical Maintenance - Current	25,907	30,658	30,658
Cyclical Maintenance - Term	-	-	-
	<u>25,907</u>	<u>30,658</u>	<u>30,658</u>



17. Finance Lease Liability

The School has entered into a number of finance lease agreements for computers and other ICT equipment. Minimum lease payments payable:

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
No Later than One Year	3,353	-	521
Later than One Year and no Later than Five Years	4,202	-	1,183
	7,555	-	1,704

18. Related Party Transactions

The School is a controlled entity of the Crown, and the Crown provides the major source of revenue to the school. The school enters into transactions with other entities also controlled by the Crown, such as government departments, state-owned enterprises and other Crown entities. Transactions with these entities are not disclosed as they occur on terms and conditions no more or less favourable than those that it is reasonable to expect the school would have adopted if dealing with that entity at arm's length.

Related party disclosures have not been made for transactions with related parties that are within a normal supplier or client/recipient relationship on terms and condition no more or less favourable than those that it is reasonable to expect the school would have adopted in dealing with the party at arm's length in the same circumstances. Further, transactions with other government agencies (for example, Government departments and Crown entities) are not disclosed as related party transactions when they are consistent with the normal operating arrangements between government agencies and undertaken on the normal terms and conditions for such transactions.

The Proprietor of the School (New Zealand Seventh-day Adventist Schools' Association Ltd) is a related party of the Board because the proprietor appoints representatives to the Board, giving the proprietor significant influence over the Board. Any services or contributions between the Board and Proprietor that are material transactions that have occurred has been disclosed appropriately.

The Proprietor provides land and buildings free of charge for use by the Board as noted in Note 1(c). The estimated value of this use during 2017 is included in the Statement of Comprehensive Revenue and Expense as "Use of land and buildings".

The board Collected attendance dues during the year on behalf of the Proprietor and passed these funds onto the Proprietor totalling to \$12,740.



19. Remuneration

Key management personnel compensation

Key management personnel of the School include all trustees of the Board, Principal, Deputy Principals and Heads of Departments.

	2017 Actual \$	2016 Actual \$
<i>Board Members</i>		
Remuneration	165	110
Full-time equivalent members	0.12	0.29
<i>Leadership Team</i>		
Remuneration	147,865	136,789
Full-time equivalent members	2.00	1.50
Total key management personnel remuneration	148,030	136,899
Total full-time equivalent personnel	2.12	1.79

The full time equivalent for Board members has been determined based on attendance at Board meetings, Committee meetings and for other obligations of the Board, such as stand downs and suspensions, plus the estimated time for Board members to prepare for meetings.

Principal

The total value of remuneration paid or payable to the Principal was in the following bands:

	2017 Actual \$000	2016 Actual \$000
<i>Salaries and Other Short-term Employee Benefits:</i>		
Salary and Other Payments	90 - 100	90 - 100
Benefits and Other Emoluments	2 - 3	2 - 3
Termination Benefits	-	-

Other Employees

The number of other employees with remuneration greater than \$100,000 was in the following bands:

Remuneration \$000	2017 FTE Number	2016 FTE Number
100 - 110	-	-
	0.00	0.00

The disclosure for 'Other Employees' does not include remuneration of the Principal.



20. Compensation and Other Benefits Upon Leaving

The total value of compensation or other benefits paid or payable to persons who ceased to be trustees, committee member, or employees during the financial year in relation to that cessation and number of persons to whom all or part of that total was payable was as follows:

	2017 Actual	2016 Actual
Total	-	-
Number of People	-	-

21. Contingencies

There are no contingent liabilities and no contingent assets as at 31 December 2017 (Contingent liabilities and assets at 31 December 2016: nil).

22. Commitments

(a) Capital Commitments

There are no capital commitments as at 31 December 2017 (Capital commitments at 31 December 2016: nil).

(b) Operating Commitments

As at 31 December 2017 the Board has entered into the following contracts:

(a) operating lease of laptops;

	2017 Actual \$	2016 Actual \$
No later than One Year	2,606	5,325
Later than One Year and No Later than Five Years	-	2,606
Later than Five Years	-	-
	2,606	7,931

23. Managing Capital

The School's capital is its equity and comprises capital contributions from the Ministry of Education for property, plant and equipment and accumulated surpluses and deficits. The School does not actively manage capital but attempts to ensure that income exceeds spending in most years. Although deficits can arise as planned in particular years, they are offset by planned surpluses in previous years or ensuing years.



24. Financial Instruments

The carrying amount of financial assets and liabilities in each of the financial instrument categories are as follows:

Loans and receivables

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Cash and Cash Equivalents	66,570	99,758	73,754
Receivables	25,900	29,102	20,028
Investments - Term Deposits	-	-	-
Total Loans and Receivables	92,470	128,860	93,782

Financial liabilities measured at amortised cost

Payables	32,288	29,778	28,361
Borrowings - Loans	-	-	-
Finance Leases	7,555	-	1,704
Painting Contract Liability	-	-	-
Total Financial Liabilities Measured at Amortised Cost	39,843	29,778	30,065

25. Events After Balance Date

There were no significant events after the balance date that impact these financial statements.

26. Comparative Figures

Some comparative figures have been reclassified. The changes do not materially alter the financial statements



School Name: Hamilton Seventh-day Adventist

Members of the Board of Trustees
For the year 1 January to 31 December 2017

Member Name	Position	How position on Board gained (e.g. Elected/Co-opted)	Occupation	Term expired/expires
Stephen Petrie	Chairperson & Treasurer	Elected	IT Financial Manager	2019
Shawn Hulku	Principal		Principal	
Chelsea Derrick	Parent Rep	Elected	self-employed Property Manager	2019
Mere Tui Kubulau	Parent Rep	Elected	Admin officer	2019
Nola Griggs-Finck	Proprietor Rep	Elected	Nurse	2019
Michael Falzarano	Proprietor Rep	Elected	Pastor	2019
Dr Lisa Fletcher	Proprietor Rep	Elected	Doctor	2019
Sarita Butler	Staff Rep	Elected	Teacher	2019
John Appel	Parent Rep	Elected	self-employed Physio	2019
Jane Johns	Secretary			

Ps

Kiwisport
Kiwisport is a Government funding initiative to support students' participation in organised sport. In 2017, the school received total Kiwisport funding of \$ 817.86 (excluding GST). The funding was spent on Sports equipment (e.g sporting endeavours).